

# **EXHIBIT 3**



## Rimini Street did steal Oracle's intellectual property, judge says

By Chris Kanaracus

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A federal judge has dismissed a defamation claim against Oracle by third-party support vendor Rimini Street, saying Oracle was telling the truth when it accused the company of “massive theft” of its software.

“It is undisputed that Rimini engaged in theft of Oracle’s intellectual property by repeatedly making multiple copies of Oracle’s copyrighted Enterprise Software programs to support its software support service clients,” Judge Larry Hicks wrote in a ruling filed on Tuesday in a federal district court in Nevada.

Rimini is defending itself against an Oracle suit claiming it stole Oracle’s intellectual property. This week’s ruling is a major setback for the third-party support provider.

Also in Tuesday’s ruling, Hicks found that Rimini Street had committed copyright infringement with respect to Oracle’s database software. Earlier this year, he had determined that Rimini Street violated copyrights on Oracle’s PeopleSoft application.

In his latest ruling, Hicks dismissed a number of defenses and counterclaims that Rimini Street had made against Oracle, including that Oracle had made defamatory statements to the media in order to hurt Rimini’s business.

“Truth is an absolute defense to defamation,” Hicks wrote. An Oracle spokeswoman’s statement “that Rimini engaged in ‘massive theft’ of Oracle’s intellectual property” is truthful, he added.

No trial date has been set for the case. A Rimini Street spokesman couldn’t immediately provide comment Thursday on Hicks’ latest ruling.

Rimini Street provides support for SAP and Oracle software customers who no longer wish to pay for vendor-provided maintenance, offering a 50 percent discount on their current support bills. These customers tend to have well-stabilized implementations and no desire to apply the continual upgrades provided under a vendor support contract.

The company's CEO, Seth Ravin, was a co-founder of TomorrowNow, a former SAP subsidiary that offered similar services to Oracle customers. Oracle sued SAP in 2007 over TomorrowNow's business practices, saying they infringed on its copyrights. It subsequently won a sizable judgment after SAP admitted liability, although the matter is not yet concluded.

Oracle then sued Rimini Street in 2010, saying Ravin had duplicated TomorrowNow's "corrupt business model."

Industry observers expect the Oracle lawsuit's outcome will help lay out concrete ground rules for how companies can perform third-party software support legally. Right now, the market is quite limited, with just Rimini and a handful of other small companies in business.

Oracle, like other enterprise software companies, derives a large chunk of its revenue and profit from the annual maintenance fees customers pay for vendor support, and is loath to see those money streams diminished by third-party competitors.

Despite the specter of litigation, Rimini has experienced rapid growth.

Revenue for the quarter ended June 30 rose 37 percent to US\$20.4 million, while the number of active support clients jumped 30 percent to 574, according to Rimini Street.

*This story, "Rimini Street did steal Oracle's intellectual property, judge says" was originally published by [IDG News Service](#).*

### **Chris Kanaracus**

Chris Kanaracus covers enterprise software and general technology breaking news for the IDG News Service.

